City of San Diego Airports Division Request for Proposals at Brown Field Airport Sikorsky Street approx. 10.7 acres 3750 John J. Montgomery Drive San Diego, CA 92123

Staff has received questions from prospective Request for Proposal ("RFP") respondents. We would like to address these questions listed below to assist you in submitting your complete and detailed package by Friday, February 6, 2009.

1. Will the relocation of hangars be allowed for this RFP? Can privately owned hanger(s) be relocated to the site and retained as privately owned hanger(s).

The City's Airports Division is seeking the infusion of new capital and new aviation development on this 10 acre parcel from the ground up. Strong preference will be given to proposals which improve and expand the available aviation facilities at Brown Field. We envision new hangers and not merely relocating and repainting existing structures from other leaseholds at Brown Field. Staff generally considers existing hanger facilities to be fixtures under real property law principles. The use and ownership of these structures reverts to the City at the expiration of the lease term.

New hangars, purchased by the FBO and delivered to the RFP site, will be included in the improvement investment in exchange for lease term.

2. Where are the results of the old airport fuel storage farm's soil remediation past, present and on going available from?

Remediation is ongoing. The City will continue the cleanup program and will indemnify the successful proposer from liability for the existing conditions. The existing cleanup program is not anticipated to interfere with the development of the site. Please contact Craig Fergusson, P.E., in the City's Environmental Services Department to make necessary arrangements to review the environmental report, ask questions or visit the site. His office phone is (858) 627-3311 and my address is 9601 Ridgehaven Court, Suite 310, San Diego, CA 92123.

3. Concerning the deposit and if accepted additional deposit. There are costs associated with the City's different departments, including the Airport's Division that will deduct costs from these deposits. What are those departments and what is the hourly rate of those departments associated with this RFP?

The deposit outlined in the Request for Proposal ("RFP") package is specific to the 10.7 acre lot and should be put forth in your financial proforma analysis for the development.

Fees and permits such as from the Development Services Department are treated as something separate and are additional costs. For example, a plan check of your proposed architectural plans is based on the total construction value for your proposed development. This is just one specific example of additional required fees imposed by The City of San Diego.

4. The RFP states that the parcel in question totals more than 10 acres. Will Proposers who submit a proposal for only a portion of this parcel (such as one acre) be given serious consideration for selection of an exclusive negotiating agreement?

Yes.

5. If the answer to question 4 is yes, and assuming the proposal is for one acre, will the Negotiating Deposit of \$25,000 be prorated based upon the amount of land in the proposal? For example, if a proposal is for one acre, would the security deposit be one tenth of the amount called for in the RFP for the entire ten acres?

No. The deposit is \$25,000 without regard to the size of the proposal.

6. If the answer to question 4 is yes, and assuming the proposal is for one acre, will the successful bidder for one acre be required to pay for any off-site improvements, including but not limited to: new roads, curbs/gutter, sidewalks, landscaping, traffic control or other infrastructure improvements? If so, in what proportion to the total amount required.

Yes. The successful bidder is required to pay for all required off-site and infrastructure improvements required to develop the proposed development. In the event that more than one proposer is selected for the site they would share costs proportional to their project's size and scope.

These are the current questions to date that RFP respondents have submitted to staff since the RFP was first sent out to the public. As additional questions come along in the coming weeks, staff will be providing answers to those questions for you to prepare a complete Request for Proposal package for the 10.7 acre lot at the Brown Field Airport.